

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK  
DRILL  DEEPEN  PLUG BACK

b. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER   
SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
Yates Petroleum Corporation

3. ADDRESS OF OPERATOR  
207 S. 4th Street, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface  
1650' FSL and 418' FEL

At proposed prod. zone  
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
Approx. 46.35 miles  
ARTESIA, OFFICE  
east and north of Roswell, N.M. (intersection of highways 380&285)

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any) 330'

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.  
19. PROPOSED DEPTH 3600'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
4128.2' GR.

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	20# X42(new)	300'	Circulate
7 7/8"	5 1/2"	15.3# K55(new)	TD	Circulate

Mud Program: Brine gel with LCM to TD.

BOP Program: 10" Series 900 on 8 5/8" casing and tested daily. See Exhibit D.

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15. ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Eddie M. Bryant TITLE Engineer DATE 5-17-77

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE JUN 16 1977

APPROVED BY Joe J. Lara TITLE ACTING DISTRICT ENGINEER DATE JUN 16 1977

CONDITIONS OF APPROVAL, IF ANY:

THIS APPROVAL IS RESCINDED IF OPERATIONS  
ARE NOT COMMENCED WITHIN 3 MONTHS.  
EXPIRES SEP 16 1977

\*See Instructions On Reverse Side

5. LEASE DESIGNATION AND SERIAL NO.  
NM28004  
6. IF INDIAN, ALIQUOTEE OR TRIBE NAME  
7. UNIT AGREEMENT NAME  
8. FARM OR LEASE NAME  
Alexander "IC"  
9. WELL NO.  
1  
10. FIELD AND POOL, OR WILDCAT  
Cato (S.A.)  
11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA  
Sec. 32-T8S-R30E  
12. COUNTY OR PARISH  
Chaves  
13. STATE  
New Mexico  
22. APPROX. DATE WORK WILL START\*  
as soon as possible

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O. C. C.

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U.S. DEPARTMENT OF COMMERCE  
BUREAU OF ECONOMIC ANALYSIS

REVISED PLAT

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-122  
Supersedes C-124  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>ALEXANDER I C FEDERAL</b>			Well No. <b>1</b>		
Unit Letter <b>H</b>	Section <b>32</b>	Township <b>8 South</b>	Range <b>30 East</b>	County <b>Chaves</b>				
Actual Well Location of Well: <b>1650</b> feet from the <b>South</b> line and <b>418</b> feet from the <b>East</b> line.								
Ground Level Elev. <b>4128.2</b>	Forming Formation <b>San Andres</b>		Pool <b>Cato (S.A.)</b>		Dedicated Acreage <b>40</b> acres			

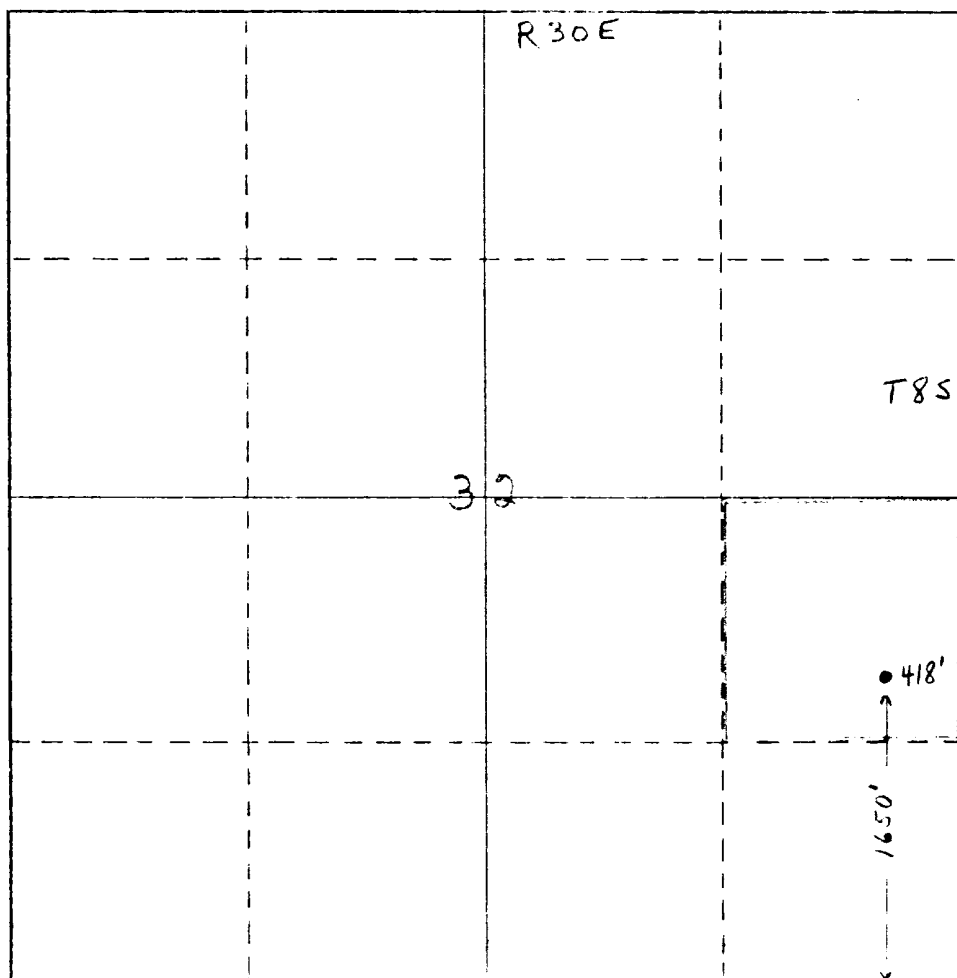
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners be consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated on the reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

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**U.S. GEOLOGICAL SURVEY**  
**ARTESIA, NEW MEXICO**



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Eddie M. ...*  
Name

Position  
*Petroleum Engineer*

Company  
*Yates Petroleum Corp.*

Date  
*5/17/77*

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

*See original plat*

Certificate No.

100-100000-100000

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U.S. CONSUMER COMM.  
WASH. D. C.

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION

Form O-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator: <b>YATES PETROLEUM COMPANY</b>		Lease: <b>Alexander I C Federal</b>		Well No.: <b>1</b>
Tract Loc. or <b>H</b>	Section <b>32</b>	Township <b>8 South</b>	Range <b>30 East</b>	County <b>Chaves</b>
Actual Footage Location of Well: <b>1650</b> feet from the <b>South</b> line and <b>330</b> feet from the <b>East</b> line				
Ground Level Elev. <b>4128.2</b>	Producing Formation <b>Sandstone</b>	Pool <b>100 S 4</b>	Dedicated Acreage: <b>1.00</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty)
- If more than one lease of different ownership is dedicated to the well, have the interests of the well been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

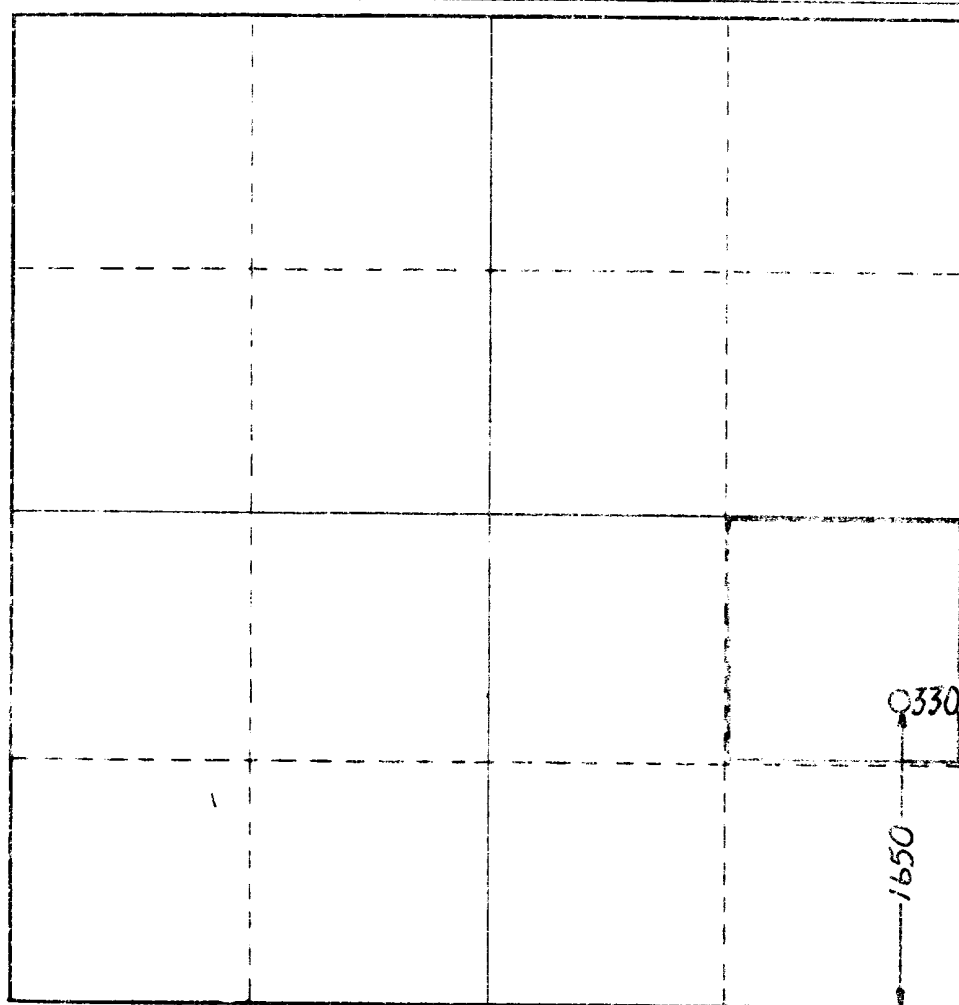
If answer is "no," list the owners and tract descriptions which have actually been consolidated on the reverse side of this form if necessary ) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

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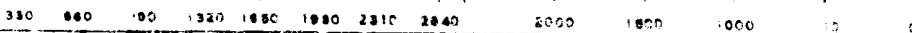
**CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name  
**Eddie M. Mahfood**  
Position  
**Petroleum Engineer**  
Company  
**Yates Petroleum Corp.**  
Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
**APR 27, 1977**  
Registered Professional Engineer and Land Surveyor  
**L. JONES**  
**3640**  
Certified by  
**NEW MEXICO LAND SURVEYORS**



APPLICATION FOR DRILLING

Yates Petroleum Corporation  
Alexander "IC" Federal Well No. 1  
Section 32-T8S-R30E  
Chaves County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill Subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with U.S.G.S. requirements:

1. The geologic surface formation is quaternary Alluvium.
2. The estimated tops of geologic markers are as follows:

Anhydrite	1010'
Yates	1502'
Queen	2161'
San Andres	2666'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	No specific data available. Possibly from Triassic formation.
Oil or Gas:	San Andres - approximately 3373'-3600'
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit D.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Blowout Preventer, Drill Pipe Blowout Preventer, Kelley Cock.
8. Testing, logging and coring programs: No testing or coring  
Gamma Ray Neutron Log.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible.

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COMM. COMM.  
1135 S. 11th St.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Yates Petroleum Corporation  
Alexander "IC" Federal Well No. 1  
1650' FSL and 418' FEL, Sec 32-T8S-R30E  
Chaves County, New Mexico  
(Development Well)

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U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

This plan is submitted with Form 9-331C, Application for Permit to Drill covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effects associated with the operations.

1. EXISTING ROADS.

- A. Exhibit A is a composite of BLM quad-color maps nos. SE-13 and SE-14, on a scale of 1/2 inch to a mile, showing in red the roads leading to the proposed wellsite from Roswell, New Mexico. Other roads in the immediate vicinity of the location are shown in Exhibit B. The wellsite is approximately 46.35 miles from the intersection of highways 380 and 285 from Roswell.
- (1) Proceed east on Highway 380 from the intersection of Highways 380 and 285, for a distance of approximately 35.65 miles. At this point, turn left (north) on a (county) dirt road, indicated by several signs including a red and yellow sign reading "Shell Oil Co. - Cato Field."
  - (2) Continue in a generally northbound direction for a total distance of approximately 10.5 miles. Turn left (west) onto an oil field road at a sign reading "Sabine Packer Federal 3 and 4," adjacent to a pump jack and tank. Immediately after making this left turn, turn right (north) and proceed about 0.2 miles. The proposed location lies adjacent to the road on the right, at this point, and is clearly flagged and visible.
  - (3) The surface of the above existing access road ranges from hard caliche to soft sand in some areas and it is possible that some caliche fill should be added to make it passable at certain points. This is a county road until entering the Sabine Packer lease.

2. PLANNED ACCESS ROAD.

- A. The planned new access road will be built in a west-to-east direction from the existing access road, and will be about 70 feet in length and 12 feet wide. The ground surface over the path of this road is comparatively hard and probably will require little, if any, caliche. No culverts or turnouts will be necessary. The new road



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HEBES, H. M.

will be crowned, with drainage on both sides. A "Y" will be constructed to widen the road where it meets the existing oil field road.

- B. The center line of the proposed new road has been staked and flagged, and the route of the road is clearly indicated.

3. LOCATION OF EXISTING WELLS.

- A. There is considerable production and drilling activity on adjoining leases in the vicinity of the proposed wellsite, as indicated in Exhibit B. The nearest productive wells are about a quarter of a mile north and a quarter of a mile south.

4. LOCATIONS OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are no production facilities on this lease at the present time. There is a formerly-productive, now plugged, well at 1980' FSL and 660' FEL, and a dry hole at 1980' FSL and 1980' FEL, and the pad areas at these locations are still in serviceable condition, with a small amount of surface dirt work, for the possible installation of a tank battery and related equipment (see next paragraph). There is an overhead electric line within about 100 feet of each pad and transformer poles are located about 660 feet from each pad.

- B. This proposed well is one of two wells which will be drilled on this lease. The other proposed well, Alexander "IC" Federal Well, No. 2 is located at 330' FSL and 2310' FWL of the same section, and Application for Permit to Drill is being submitted concurrently with this Application. In the event that either or both of these wells are productive, a tank battery and the necessary production equipment will be installed on one of the two existing pads referred to, in the preceding paragraph, and flow lines will be installed from the wells to this point. If oil is produced, the necessary power will be provided either by a gas or diesel self-contained unit, or by electricity. For the latter purpose, there is an overhead electric line, running in an east-west direction, about 250 feet south of the proposed wellsite, and there is a transformer on a pole about 500' southwest of the wellsite. No power will be required if gas is produced.

- C. There are no existing lease pipelines on the lease. There is an existing north-to-south flowline, belonging to another operator and running parallel to and a few feet west of the proposed drilling pad area.

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibits A and B.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. Any caliche required for construction of the drilling pad and the

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COMM. OF THE DIST. OF COLUMBIA  
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new access road, as well as for any resurfacing of the existing access road, will be obtained from an existing federally-owned pit in the NE/NE corner of Section 4-T9S-R30E, approximately one-half a mile from the location.

7. METHODS OF HANDLING WASTE DISPOSAL.

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the U.S.G.S. for appropriate approval.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste materials will be contained to prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES.

- A. None required.

9. WELLSITE LAYOUT.

- A. Exhibit C shows the relative location and dimensions of the well pad, reserve pits, and major rig components.
- B. Relatively little leveling will be required to construct the location. The ground surface at the wellsite is relatively flat, with only very minor anomalies. Little, if any, caliche will be required to construct the pad or the new access road.
- C. There are no plans to line the earthen reserve pit since it should seal quite rapidly with drill solids and bentonite. Water used for drilling is of discharge quality.
- D. The pad and pit area has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE.

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.

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COMM. ON LABOR AND HUMAN RESOURCES

- B. Any unguarded pits containing fluids will be fenced until they have been filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management and the United States Geological Survey will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The proposed wellsite is located in an area of relatively level surface, with only minor variations.
- B. The topsoil at the wellsite is relatively hard, compacted sand.
- C. Flora and Fauna: The vegetation cover at the wellsite is moderately sparse, consisting of mesquite, desert flowers, bear grass and other grass, cactus, and miscellaneous weeds. The only wildlife observed were jackrabbits, but it is likely that other typical semi-desert wildlife inhabit the area.
- D. There are no houses or buildings in the vicinity of the wellsite. The nearest windmill is about 2 1/2 miles north of the location.
- E. There are no rivers, streams, lakes or ponds within several miles of the location.

12. OPERATOR'S REPRESENTATIVE.

- A. The field representatives responsible for assuring compliance with the approved surface use and operations plan are:

Eddie M. Mahfood  
Yates Petroleum Corporation  
207 South Fourth Street  
Artesia, New Mexico 88210  
Telephone: 505-746-3558 (office)  
505-746-4415 (home)

Leon Bergstrom  
Yates Petroleum Corporation  
207 South Fourth Street  
Artesia, New Mexico 88210  
Telephone: 505-746-3558 (office)  
505-748-1072 (home)

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CHL CENSUS DIV. COMM.  
WASDC, D. C.

13. CERTIFICATION.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge true and correct; and, that the work associated with operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

5-17-77

Date

Eddie M. Mathis, Engineer

Name and Title

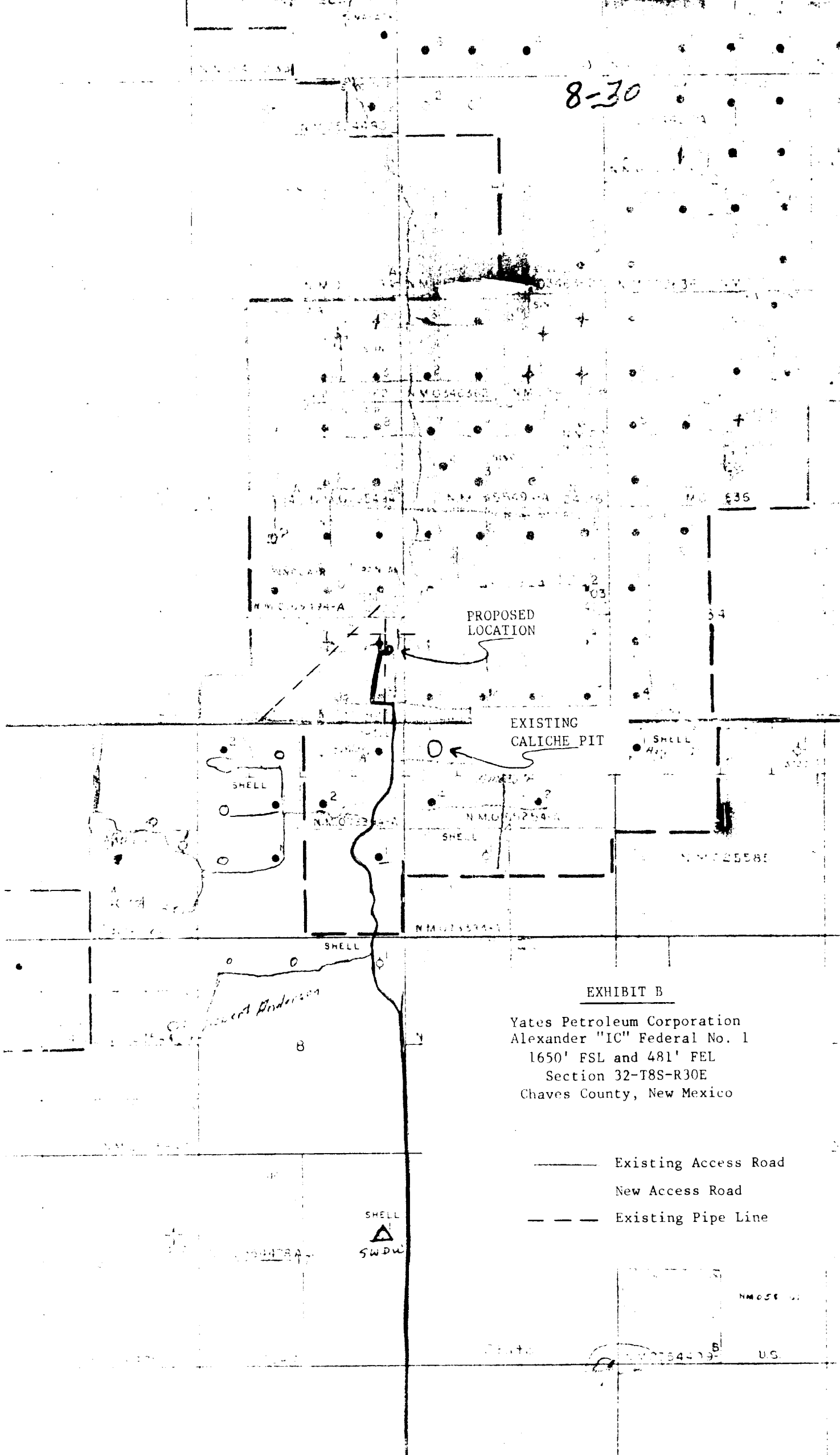


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U.S. CONSTITUTIONAL COMMISSION  
WASHINGTON, D.C.

8-30



PROPOSED LOCATION

EXISTING CALICHE PIT

**EXHIBIT B**

Yates Petroleum Corporation  
 Alexander "IC" Federal No. 1  
 1650' FSL and 481' FEL  
 Section 32-T8S-R30E  
 Chaves County, New Mexico

- Existing Access Road
- New Access Road
- Existing Pipe Line

SHELL  
 ▲  
 SW DW

N.M.C. 55590

N.M.C. 55589

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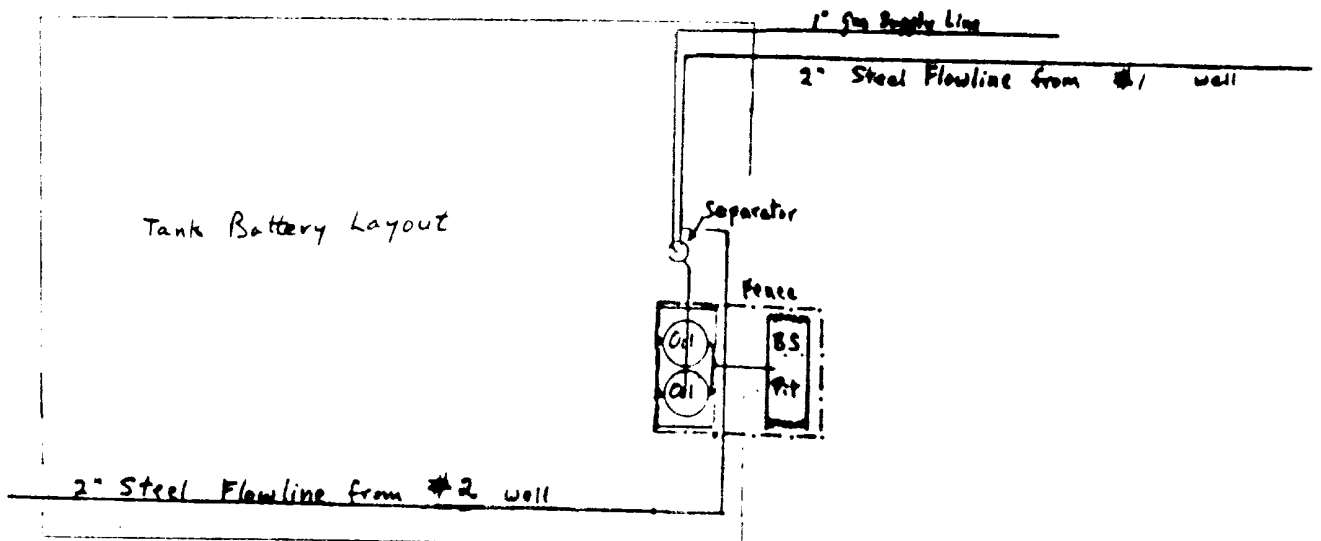
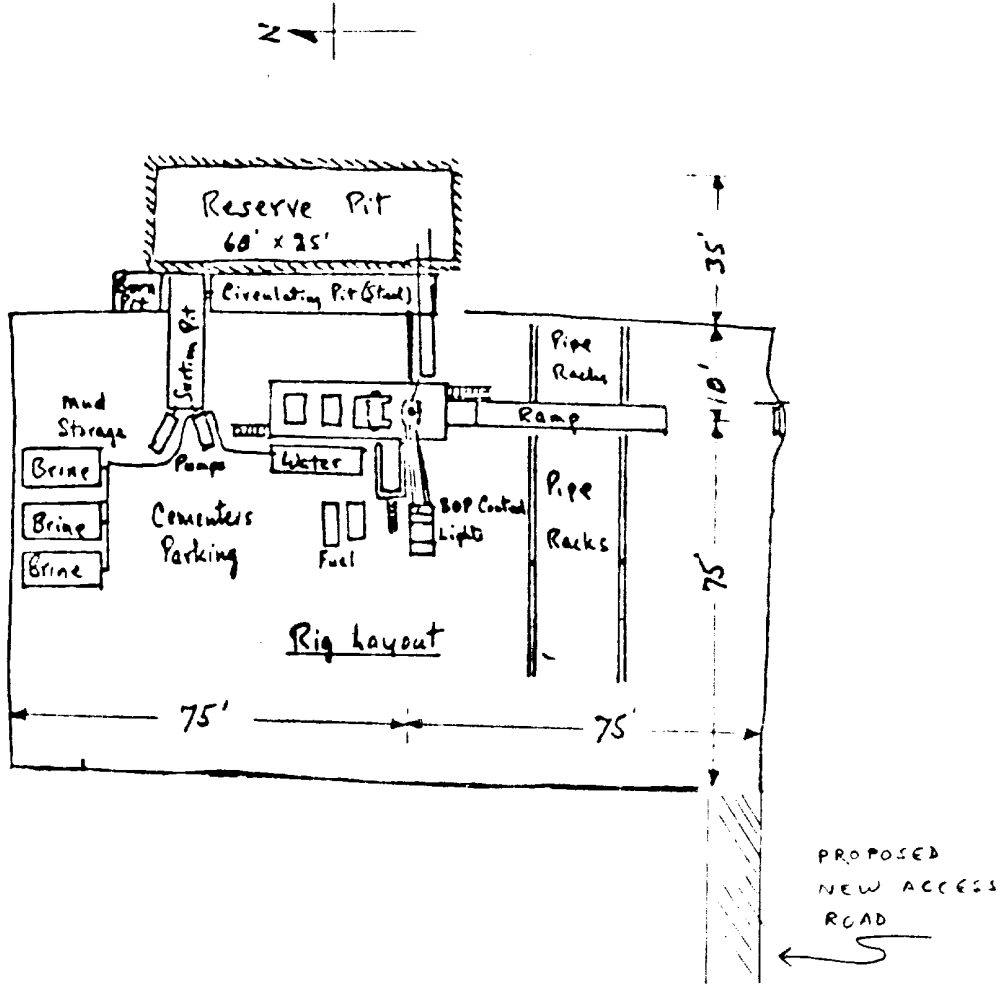
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U.S. CUSTOMERS COMM.  
LOS ANGELES, CALIF.

EXHIBIT C

Yates Petroleum Corporation  
Alexander "IC" Federal No. 1  
1650' FSL and 418' FEL  
Section 32-T8S-R30E  
Chaves County, New Mexico



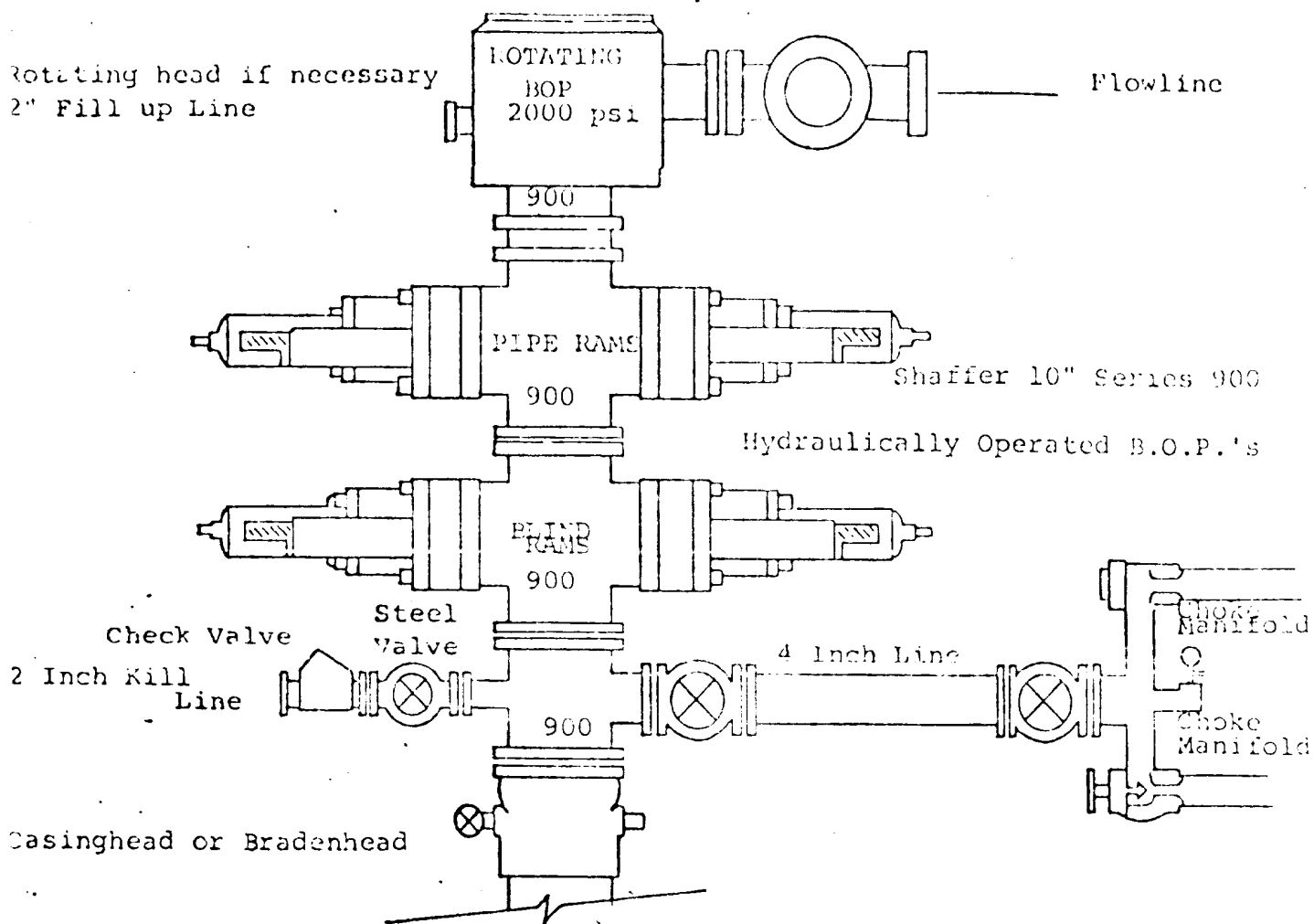
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ROBBS, N. M.

EXHIBIT D

Yates Petroleum Corporation  
 Alexander "IC" Federal No. 1  
 1650' FSL and 418' FEL  
 Section 32-T8S-R30E  
 Chaves County, New Mexico



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel, hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.

Exhibit D

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